

INFORMATION LETTER

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FURTHER HEARING CALLED ON AREA OF PRODUCTION AMENDMENT

**Findings and Recommendations of the Wage-Hour
Division to be Considered**

As a result of the hearings on January 9-12 on petitions of vegetable growers, shippers, and others for amendment of the definition of "area of production", the Wage and Hour Division of the Department of Labor issued on March 18 the findings and recommendations of the presiding officer, Mr. Merle D. Vincent, and gave notice that a public hearing would be held in Washington on April 3 on his recommended amendment.

The amendment would add to the definition of "area of production" the following paragraph:

"(e) with respect to perishable or seasonal fresh fruits and vegetables, if he is engaged in handling, packing, drying, storing, preparing in their raw or natural state, or canning such products for market in an establishment which is located in the open country or a rural community and obtains its products from farms in its immediate locality and performs such operations for the account of the grower of such products. As used in this subsection (e) 'open country or a rural community' shall not include any city of 25,000 or greater population according to the 15th United States Census, 1930, and 'immediate locality' shall not include any distance of more than 50 miles, provided, however, that if the establishment is located in a somewhat larger city or obtains the products from a somewhat greater distance, and the nature of the business and the type of operations are similar to those in competitive establishments included within the 'area of production' under this subsection, the Administrator may determine that such establishment is also in the 'area of production' on the basis of an individual application."

In explanation of the phrase "for the account of the grower of such product" the findings state:

"As set forth above, increased labor costs in establishments preparing or processing fresh fruits and vegetables may be reflected in greater or less degree in lower net prices received by the farmer for his produce. The extent to which such increased costs might be passed back to producers, absorbed by establishments preparing or processing the produce, or passed on to consumers is not readily determinable. In gen-

eral, the increased cost will be felt more by the farmer when he retains title to the produce that is prepared or processed for market. In some instances the farmer may sell his products outright to a cannery, for example, in which case he loses direct interest in the price which will be obtained for these products from other buyers, while in other instances he may have the products prepared or processed on a custom basis in which case he is directly interested in the price that can be obtained for the prepared or processed products. From the standpoint of the farmer, the establishment which buys his produce may be considered to be his market. The chief intent of Congress in adopting the area of production concept was to free the farmer from any increased burden under the Fair Labor Standards Act. It will therefore be recommended that employees in establishments engaged in handling, packing, storing, drying, preparing in their raw or natural state, or canning of perishable or seasonal fresh fruits or vegetables for market shall not be considered as so engaged within the

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SURPLUS DISTRIBUTION PLAN

Experimental Program Announced by Secretary Wallace for Selected Cities

Secretary Wallace announced March 13 the plans of the Department of Agriculture to distribute surplus agricultural commodities through normal trade channels in six cities upon an experimental basis. This will be done through the issuance of food stamps to needy persons receiving public aid, as outlined in the plan that was considered and unanimously approved by the Food and Grocery Conference Committee. Participation by eligible families will be upon a voluntary basis.

The cities in which the new plan for distribution will be tried will be announced soon. According to present plans, the cities will be of varying size, from 50,000 up, and will be in widely separated areas. In these cities, the usual direct distribution by the FSAC probably will be discontinued during the course of the experiment. In other areas, surplus removal and distribution will continue as in the past.

The FSAC will not participate in either the purchase or distribution of the surplus commodities handled under the experimental plan. It will, however, designate what agricultural commodities are to be classed as surplus ones, through the application of a formula which will be worked out by the Corporation and which will not be based upon representations by interested groups.

Under the new plan, surplus products sold by foods stores will move in regular wholesale and retail trade channels, the same way as other commodities. There will be no effort on the part of the Government to fix sales prices or margins for the designated surplus commodities. Increased volume of retail sales would be counted upon to bring about a reduction of margins.

Chicago Selected for Convention

President Walter L. Graefe has announced the selection of Chicago as the location of the next annual convention of the Association, and has recommended that the date for the meeting be the week of January 21, 1940. The hotel arrangements for the 1940 convention will be the same as in 1939.

Brix Requirement for Exempted Canned Fruits

On February 15, the Secretary of Agriculture designated a list of food products having common or usual names and declared them exempt, for the time being, from the requirement that their labels bear statements of their ingredients (INFORMATION LETTER, February 18, 1939). Included in this list was the item "Unmixed Canned Fruits, properly prepared and in sugar solution of not less than 20° Brix, . . ."

Following this announcement, the Washington Laboratory was asked on several occasions whether the Brix stipulation referred to the cut-out or the going-in concentration of the syrup. The question was put formally to W. G. Campbell, chief of the Food and Drug Administration, and his reply quoted below states that the expression was intended to refer to the concentration of the sugar solution when filled into the can with the fruit. The complete letter follows:

"You inquire in your letter of March 6 if the expression 'in sugar solution of not less than 20° Brix' in the Secretary's list of foods, exempted under Section 902 of the Food, Drug, and Cosmetic Act, issued February 15, 1939, refers to the sugar solution added to the fruit at the time of canning, or the solution of added sugar and soluble fruit constituents present in the finished product.

"The above expression was definitely intended to refer to the sugar solution used as an ingredient, that is to say, filled into the can with the fruit."

Indiana Food and Drug Act Approved

The Indiana Food, Drug, and Cosmetic Act, uniform with the Federal Act except in minor and unimportant provisions, was approved by the governor of Indiana on March 6.

This State Act embodies most of the provisions suggested in the Association's bulletin of February 21, 1939, on "Proposed State Food and Drug Legislation." In particular, the Indiana Act provides that a food guarantee shall be sufficient if it guarantees that the article is not adulterated or misbranded within the meaning of the Indiana Act or the Federal Act. It provides that where foods are embargoed by State officials, court action for condemnation must be begun within five days.

Definitions and standards of identity, minimum standards of quality or fill of container, promulgated by the Federal authorities, under the Federal Act, automatically become the standards in the State. The remaining adulteration and misbranding sections follow the Federal law.

The provision permitting shipment of unlabeled foods without compliance with the misbranding provisions of the Act is reasonably broad and permits such exemption where the shipment "is made in good faith for such completion purposes only." There is no provision for emergency permit control.

Coddington Heads Dry Bean Section

A. E. Coddington of the Ladoga Canning Co. of Indianapolis has been named by President Walter L. Graef as chairman of the Association's Dry Bean Section, succeeding C. M. Schofield who was previously named for this position and who tendered his resignation.

DEXTROSE IN CANNED FOODS

Food and Drug Administration Replies to Inquiry on Status under New Law

From time to time the Association has received inquiries concerning regulations governing the kind of sugar used in the preparation of various canned foods. Recently the Association asked the Food and Drug Administration regarding its attitude toward the use of dextrose, and in a letter under date of March 14, W. G. Campbell, chief of the Administration, replied:

"We have your letter of March 9 inquiring about the use of dextrose in the preparation of canned foods according to the new Food, Drug, and Cosmetic Act.

"As indicated in our announcement to manufacturers dated February 28, no further rulings appear to be necessary under the provisions of the law applicable to foods. As you know, unmixed canned fruits and unmixed canned vegetables are temporarily exempted from the requirement that ingredients be listed on the label, and it is therefore not our purpose to require dextrose and sugar to be declared in the case of such unmixed canned foods referred to in the exemption notice. In the case of canned foods other than those included in the exempted list, the provisions of Section 403(i)(2) of the Act are, of course, applicable."

The temporary exemptions from label requirements are those announced on February 15, which will be found in the INFORMATION LETTER for February 18, 1939. The parts referred to in Mr. Campbell's letter are as follows:

"Unmixed, immature canned vegetables, properly prepared and with water not in excess of the amount necessary for proper processing, with or without added salt or sugar or both, but with no other added substance.

"Unmixed canned fruits, properly prepared and in sugar solution of not less than 20° Brix, not in excess of the amount necessary for proper processing, but with no other added substance."

Section 403(i)(2) of the Act reads as follows: "A food shall be deemed to be misbranded unless its label bears, in case it is fabricated from two or more ingredients, the common or usual name of each such ingredient."

This announcement means that the Food and Drug Administration will not take exception to the use of dextrose in the preparation of canned foods under the Food, Drug, and Cosmetic Act. When a definition and standard of identity for a particular food is promulgated under Section 401 of the Act, specific requirements regarding the kind of sugar to be used in the preparation of that food and label declarations of its presence may be included.

Second Drive of Canned Pea Campaign

Opening the second drive of the canned pea merchandising campaign will be a full-page, colored advertisement in the American Weekly on March 26. At the same time, colorful, well-designed posters and sales cards, which have been sent to retailers, will appear in groceries. Instructions have been given retailers for building mass displays.

The theme of the merchandising campaign is "Canned peas are better and cheaper this year. Stock up now!"

The full-page advertisement in the American Weekly fea-

tures five recipes for canned peas by Emily Post, Edith Key Haines, Sophie Kerr, Elsa Maxwell, and the Rainbow Room chef.

New York Training School for Food Inspectors

Announcement has been made of a training school for food inspectors of the municipalities of New York State which will be held in the State Office Building, Albany, on March 22, 23 and 24. The session will be directed by the Municipal Training Institute of New York State. An expert instructional staff will present lectures and demonstrations on the various phases of food problems of importance to food authorities.

On March 23, Dr. E. J. Cameron, of the Association's Laboratories, will address the group on "Canning Technology, With Special Reference to Sterilization and Spoilage Control."

State Sales Drive for Wisconsin Sauerkraut

A State-wide sales drive for Wisconsin sauerkraut will be conducted from April 12 to 22. Cooperating in the campaign are the Wisconsin Kraut Packers, Wholesale Grocers Association, and Retail Grocers Association, as well as retail grocers and butchers. The Wisconsin Agricultural Authority is also cooperating. The sauerkraut will be advertised in daily newspapers and over Wisconsin radio stations.

Fruits and Vegetables in Cold Storage

Stocks of frozen fruits, reported as in cold storage March 1, 1939, were reduced by 13,569,000 pounds, and frozen vegetables by 6,323,000 pounds, during February, according to the Bureau of Agricultural Economics. In the following table are shown cold-storage stocks of frozen fruits, segregated by method of process during February and March, 1939:

FRUITS	Quick freeze		Cold packed	
	Feb. 1 1,000 pounds	March 1 1,000 pounds	Feb. 1 1,000 pounds	March 1 1,000 pounds
Blackberries.....	348	204	2,277	1,705
Blueberries.....	1,248	1,318	3,844	3,511
Cherries.....	2,483	2,139	15,088	13,481
Logan and similar berries.....	731	696	2,238	2,060
Raspberries.....	1,147	1,192	6,204	5,552
Strawberries.....	12,243	10,451	21,443	18,935
Other fruits.....	5,582	6,001	11,955	13,092
Classification not reported.....	5,106	4,612	24,271	18,150
Total.....	28,848	26,703	87,910	76,486

In the following table are given comparisons of stocks of frozen vegetables on various dates:

VEGETABLES, FROZEN	March 1, 1938		Feb. 1, 1939		March 1, 1939	
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Asparagus.....			3,479		2,825	
Beans, lima.....	4,907		12,503		11,545	
Beans, snap.....	1,796		5,159		4,980	
Broccoli, green.....			1,153		1,183	
Corn, sweet.....	1,911		6,206		5,846	
Peas, green.....	8,342		21,241		18,852	
Spinach.....	2,187		3,107		2,853	
Other vegetables.....	6,849		3,420		2,498	
Classification not reported.....			5,580		4,943	
Total.....	25,992		61,848		55,525	

Stocks and Shipments of Pitted Red Cherries

Total stocks of pitted red cherries on March 1, 1939, amounted to 411,733 actual cases, compared with 693,000 cases on March 1, 1938, according to figures compiled by the Association's Division of Statistics. Shipments from July 1 to March 1 for the two years, were: 1938—No. 2's, 753,547 cases; No. 10's, 898,799 cases. 1939—No. 2's, 787,564 cases; No. 10's, 659,501 cases.

In the table below are shown stocks on March 1, together with shipments during February, by regions and can sizes. The report of stocks of cherries is based on reports by 98.5 per cent of the canners packing cherries in 1938, and on estimates for the 1.5 per cent not reporting.

	No. 2 Cases	No. 10 Cases	Misc. Cases	Total Cases
New York and Pennsylvania:				
Stocks: Sold not shipped.....	7,317	13,686	1,276	22,279
Stocks: Unsold.....	3,384	10,386	225	13,905
Stocks: Total.....	10,701	24,072	1,501	36,274
Shipments for February.....	28,807	10,668	1,200	40,765
Michigan, Wisconsin, and Ohio:				
Stocks: Sold not shipped.....	27,273	53,837	81,110
Stocks: Unsold.....	38,567	149,109	1,937	189,643
Stocks: Total.....	65,870	202,946	1,937	270,753
Shipments for February.....	123,747	57,369	475	181,591
Western States:				
Stocks: Sold not shipped.....	7,259	34,458	520	42,246
Stocks: Unsold.....	1,920	58,297	2,243	62,460
Stocks: Total.....	9,179	92,755	2,772	104,706
Shipments for February.....	7,958	22,756	550	31,264
Total United States:				
Stocks: Sold not shipped.....	41,849	101,981	1,805	145,635
Stocks: Unsold.....	43,901	217,792	4,405	266,098
Stocks: Total.....	85,750	319,773	6,210	411,733
Shipments for February.....	160,512	90,793	2,285	255,560

Guest Speaker on Radio Programs

Canned foods and the consumer services of the National Canners Association were discussed by Miss Ruth Atwater of the Home Economics Division in recent broadcasts as guest speaker. This week on Tuesday she was interviewed on the Association's consumer services in a program broadcast over the Colonial Network from Boston. Last week, Miss Nancy Craig, in charge of the Woman of Tomorrow Program of the National Broadcasting Company, interviewed Miss Atwater on canned foods.

CONGRESS SUMMARY

Week Devoted to Action on Appropriation Bills and Debate on Reorganization

During the past week Congress reached final agreement on the Independent Offices and first deficiency appropriation bills. The Senate passed the Treasury and Post Office and the Legislative appropriation bills, then began debate on the modified government reorganization measure while the House considered appropriations for the Interior Department.

The Senate Commerce Committee will hold hearings on Senator Clark's water pollution bill on March 22. The Barkley bill, reported favorably by the Committee, is on the Senate Calendar.

Two bills of interest to fish canners were introduced in the House during the week. Chairman Bland of the Committee on Merchant Marine and Fisheries introduced H. R. 5025, which would authorize a \$2,000,000 appropriation for the relief distribution by the Federal Surplus Commodities

Corporation of surplus fish, shellfish, and their products. In the other bill, H. R. 4985, introduced by Representative Caldwell of Florida, a Fishery Educational Service would be established in the Bureau of Fisheries.

The service would be for the purpose of providing instruction to members of the fishery industry in methods of preserving the catch, and for promotional activities. The Fishery Educational Service also would provide educational help to fishermen who desire to form cooperative producing and marketing associations.

Following the release of the Bureau of Agricultural Economic's special report on "Barriers to Internal Trade in Farm Products," noted in last week's INFORMATION LETTER, Representative Cannon of Missouri introduced a resolution authorizing the appointment of a House committee to consider and make recommendations with respect to the problems presented in the report. A similar measure, authorizing the appointment of a special Senate committee, has been introduced by Senator Wiley of Wisconsin.

Resolutions authorizing an increase of \$2,000,000 in the funds available for the work of the Temporary National Economic Committee have been introduced by Senator O'Mahoney and Representative Summers. At the time of its creation, the so-called Monopoly Committee was given an appropriation of \$500,000, of which \$100,000 was made available to the Committee. The remaining \$400,000 was made available, under presidential direction, for the use of the executive departments and agencies represented on the Committee. Of the proposed additional \$2,000,000, the sum of \$400,000 would be made available to the Committee and \$1,600,000 would be given, under the direction of the president, to the executive departments and agencies represented on the Committee.

Chairman Steagall of the House Committee on Banking and Currency and Senator Bankhead have introduced companion resolutions to create a congressional monetary committee. The duties of the committee would be:

"to make a full and complete study and investigation of (1) the problem of fluctuating basic commodity prices, their relationship to other prices, the factors that influence them, and the effect of such fluctuations on farmers, producers of other basic commodities, and the economic life of the country; (2) the ability of the Government to determine, adjust, and control the purchasing power of the dollar; (3) the influence of the operation of the monetary and banking systems of the United States and other countries on basic commodity prices and the continuous employment of human and material resources; (4) Federal machinery for the regulation and supervision of credit and monetary matters."

FURTHER HEARING CALLED ON AREA OF PRODUCTION AMENDMENT

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area of production if these establishments do not prepare or process the products for the farmer's account."

The third section of the findings, which deal with canning fresh fruits and vegetables for market, is as follows:

"Canning is defined by Mr. H. Thomas Austern, appearing for the National Canners Association (Record p. 522) as follows: 'Canning is defined as hermetically sealing a product and thereafter sterilizing it by heat.' It would be superfluous

to dwell on the tremendous importance of this process both to growers of fresh fruits and vegetables, and to consumers. Canned goods are non-perishable for long periods of time; they need neither refrigeration nor other special handling; broadly considered, canning is much the most important method for the profitable preservation of a seasonal over-supply of fresh fruits and vegetables.

(The record shows that apples are preserved in large quantities in refrigerated warehouses without processing, and it is probable that root vegetables are similarly held off the market, but this appears to be an exception to the general practice of the industry.)

"The record contains no evidence of a general shift from farm canning to central off-farm canning comparable to the historical trend in unprocessed preparation for market. Indeed, the urban origin of canning was testified to by witnesses from Baltimore who stated that the American canning industry was born in that city. In any event, modern canneries are typically independently, not cooperatively owned and operated. There does not appear to be any important fruit or vegetable in which cooperative canning plays a dominant part.

"For example, it was testified to that only two of the approximately 300 members of the Ozark Canners Association are cooperatives, nor does it appear that there are other cooperative canneries in the Ozark Region. Illustrative data on this question may be found in the Agricultural Income Inquiry, Part II, pp. 127-138.

"There is evidence in the record tending to show that many canneries are locally owned; against this must be set other evidence in the record and the conclusions in the Agricultural Income Inquiry, Part II, pp. 127-138, indicating that a major portion of some commodities and a substantial portion of others are canned by a comparatively few large canning companies. These companies have numerous branches in the country as well as large establishments in cities. Their control and operation is clearly commercial and industrial, and removed from the grower.

"The record fails to give an adequate account of the extent of canning on the farm, but there is some indication of the existence of canning operations conducted by large growers for their own products. An occasional local competitive situation may arise thereby, but there is no reason to believe that this is more than a very minor element in the whole industry. It may also be assumed, since the record is silent, that farm canning of small quantities of fruits and vegetables, as a family or neighborhood undertaking, is a negligible factor in comparison with the general volume of canning. In sum, as stated above, the typical cannery is owned and operated commercially, frequently by a large canning company, and not by or for the farmer.

"A highly characteristic feature of the canning industry is contracting for supplies. According to the Counsel for the National Canners Association (Record p. 524), approximately half of all fruits and vegetables used in canning are delivered to the cannery pursuant to a contract. Usually the contract is made on an annual basis and provides for the cultivation by the farmer of a stated number of acres of each crop contracted for, and the delivery of the product thereof. The contract may also provide for financing by the canner and other matters. The balance of the fruits and vegetables received by the canneries are almost invariably bought outright. (In some instances canners purchase their fruits and vegetables from commission houses.) In neither instance is this produce handled for the farmer's account. This is not usually true with respect to cooperative canneries

and certain exceptional instances of custom canning may also be noted, but it is the normal practice throughout the industry.

"Canneries, in the common phrase, are both seasonal and non-seasonal. In other words, there are some canneries that operate only for a short period and others that operate all year round, or most of the year. The primary distinguishing factor is the nature of the produce. Thus many canneries can only fresh tomatoes, others can tomatoes and snap beans, and others tomatoes, snap beans and spinach, etc., etc. Obviously, the three- or four-pack cannery generally operates for a longer period than the one- or two-pack cannery. The commodities named as illustrative, and the many others commonly canned, are clearly fresh fruits and vegetables. By contrast a tremendous part of the canning business is the manufacture of soups, fruit salads and other combined products in which one or more of the ingredients is a canned product. This process of repacking, as it is called, does not appear to be contemplated as an exempt operation under the Act; in any event, it is clearly outside the scope of this determination since canned goods are not definable as fresh fruits and vegetables. Similarly: the canning of 'dry lines,' even to the extent that such operations might be covered by Section 13(a) (10) is irrelevant to the present inquiry. (The proper classification of by-product canning such as the manufacture of pectin is not appropriately determinable herein. Any advisory opinion thereon may be properly issued by the Administrator in an Interpretative Bulletin or similar publication.)

"Since the typical cannery is usually not a community undertaking operated to serve nearby farmers, its location may be dictated by a variety of general business considerations. Canneries that can several commodities are frequently located near the most perishable of these, but at a considerable distance from the others. Canneries that wish to fill out certain orders may go long distances for some of their commodities. Furthermore, the volume of canning is frequently dictated by market demand: therefore, the canner does not depend entirely on local supplies; and purchases his fruits and vegetables on the open market. Finally, one economic function of canning is the utilization of substandard fruits and vegetables that have little or no commercial value in their raw or natural state. For such canning it is practical to haul perishable commodities long distances, since bruises in fruits and vegetables used for canning are not completely destructive to value.

"The effect of these considerations can be seen in the highly variable actual conditions described in the record. Only a small portion of California citrus fruit is canned and it may be noted that the 13 citrus canneries, all of which operate on packing house culs, are located near the houses and the groves, so that hauls are short. The important Florida citrus canning industry, operating for about six months a year, procures part of its citrus direct from the groves and part from packing houses. There are only 50 citrus canneries in the State in comparison with 350 citrus packing houses; accordingly some fruit is hauled to the canneries over 200 miles, and the average haul is longer than the haul to the packing house. South Texas canneries use only the local produce, and are accordingly all located in the small towns of that restricted area. A witness for the Eastern Shore of Virginia Produce Exchange states (Record p. 623): 'This market has been developed by the Exchange on a cooperative basis, mainly with canners located at points outside the Eastern Shore of Virginia, since the canneries inside the area are inadequate to care for the production.' Thus this cooperative arranges for canning contracts for its members with canneries in Maryland, Pennsylvania, and New Jersey, including can-

nneries in the cities of Baltimore and Philadelphia. The produce is first assembled and inspected at assembly points and then shipped to the canneries. In Arkansas canneries obtain tomatoes from distances up to 20 miles, but greens, beans, and spinach come from distances ranging from 35 to 110 miles. Wisconsin canneries are usually located close to their crops and in small towns. The exhibit furnished by the National Canners Association in 1938 and incorporated in the record by reference, shows hauls up to 100 miles in Minnesota to accommodate suddenly ripened crops. The Northwest canners occasionally go 700 or 800 miles for their produce and the Baltimore canners depend partly on local supplies, up to 50 miles, partly on the produce of the Delmarva Peninsula, up to 200 miles, and partly on goods brought from growers or commission houses, up to 500 miles. And in Puerto Rico the six small citrus canneries are all located on farms and draw their produce from nearby farms.

"While there may be some home canning with equipment operated by 7 or fewer persons, it is the opinion of all witnesses that any commercial cannery must employ a greater number of persons. The actual number of employees varies greatly. Illustrative employment figures include Texas 10-300; Arkansas average 100; Puerto Rico 10-90; Baltimore, skeleton crews 25-50, full crews up to 200. Conditions with reference to wages paid and hours of employment, described above in connection with packing houses are substantially similar in canneries. However a difference may be noted in the possible effect of increased cannery labor costs on the net price received by the farmer for his produce. Since most canneries are independent and not cooperative, since many are branches of large canning companies, and since most canneries buy their produce and do not handle it for the grower's account, it is probable that increased cannery labor costs would be borne by the grower to a smaller degree than increased packing house costs, assuming other factors to be equal. Furthermore, since it appears probable that canneries are in general more highly mechanized than packing houses, an increase in labor cost would represent a smaller increase in total cost for canneries than for packing houses."

Committee Discusses Wage-Hour Amendments

Administrator Andrews appeared before the House Committee on Labor on Wednesday and discussed with Committee members various proposed amendments to the Fair Labor Standards Act. He will return to the Committee on Tuesday for a continuation of the discussion and will probably at that time make some recommendations for legislative amendment of the "area of production" exemptions. At his press conference on Thursday, in reply to questions concerning the recommendations he will make to the Labor Committee with respect to the "area of production" exemptions, he stated: "We might loosen up on the hours provision but stick to the 25 cent minimum in the area of production."

Seed Trade Seeks "Area of Production" Change

On a petition of the American Seed Trade Association requesting amendment of the Wage and Hour Division's regulation defining "area of production", the Division has announced that a hearing will be held March 27. The notice of hearing states that interested parties will be heard on the question: "What, if any, amendment should be made . . . of the regulations . . . with respect to the production, assembling, processing and distribution of farm and garden seeds."

UNSOLD STOCKS OF CANNED SALMON

Unsold stocks of canned salmon on February 28, 1939, totaled 2,032,591 cases, as compared with 2,396,895 cases on January 31, 1939, according to statistics compiled by the Association of Pacific Fisheries. Figures for February 28, 1938, were incomplete as they represented only 83 per cent of the total 1937 pack, and were omitted from the Association's report to prevent misunderstandings. Figures for February 28, 1939, and January 31, 1939, were based on reports from 79 companies, producing 98 per cent of the 1938 salmon pack. The following table gives figures of salmon stocks for the first two months of 1939 by grades or varieties, and can sizes:

GRADES OR VARIETIES	Tails (1 Pound)	Flats (1 Pound)	Halves (8 Dozen)	Total Feb. 28, 1939	Total Jan. 31, 1939
	Cases	Cases	Cases	Cases	Cases
Chinooks or Kings:					
Fancy Red.....	13,348	12,315	24,665	50,328	61,991
Standard.....	2,083	2,828	8,891	13,802	20,929
Pale.....	1,163	162	330	1,655	1,655
White.....	22	57	351	430	559
Puget Sound Sockeyes.....		3,670	61,173	64,843	59,440
Alaska Reds.....	1,045,401	33,969	4,331	1,083,701	1,235,308
Cohoes, Silvers, Medium Reds.....	70,625	5,650	25,120	101,395	119,724
Pinks.....	567,807	3,431	2,546	573,784	724,183
Chums.....	136,650	38	3,530	140,218	170,631
Bluebacks.....				1,296	1,336
Steelheads.....				713	426
Totals.....	1,837,099	62,833	132,659	2,032,591	2,396,895

Washington Hearing on Private Motor Trucks

A hearing will be held in Washington on April 4 by the Interstate Commerce Commission on the matter of establishing reasonable requirements to promote the safety of operation of motor vehicles used for transporting property by private carrier. Announcement of other hearings appeared in the INFORMATION LETTER of February 25, 1939.

Analysis of Grapefruit Marketing Issued

An analysis of the principal factors underlying distribution problems of the grapefruit canning industry, prepared by the Association's Division of Statistics, has been published and is being distributed to grapefruit canners. The publication, titled "Marketing Grapefruit," is one of the Division's canner-grower series and was prepared at the request of Florida grapefruit canners.

The pamphlet discusses problems created by increasing crops, canning as an aid in broadening the market, prospective increase in grapefruit crop, export outlets, foreign production, increasing proportion of crop canned, and prices.

Stocks and Shipments of Canned Tomatoes

Stocks of canned tomatoes in canners' hands on March 1, 1939, amounted to 7,416,099 actual cases, compared with 6,884,748 cases on March 1, 1938, according to figures compiled by the Association's Division of Statistics covering all regions except California. Reports had not been received from all packers of tomatoes in California at the time this report was issued. Incomplete returns, however, indicate a total of about 1,500,000 cases in California canners' hands on March 1, 1939.

Shipments during February, 1939, were 1,501,369 cases, and during February, 1938, were 1,193,890 cases. Shipments during the eight-month period, July 1, 1938, to March 1, 1939, amounted to 13,344,094 cases compared with 14,646,998 cases during the corresponding period last year.

These figures are based on reports from canners packing about 80 per cent of the 1938 tomato pack, together with estimates for the 20 per cent not reported. In the following table are shown stocks on March 1, 1939, and shipments during February, by regions:

	Stocks on March 1, 1939			Shipments during February
	Sold not shipped	Unsold	Total	Cases
Northeast.....	166,286	305,866	472,155	74,954
Middle Atlantic.....	125,449	2,241,517	2,366,066	807,751
Midwest.....	315,129	2,043,858	2,358,987	313,826
Tennessee-Kentucky.....	18,028	207,324	225,352	38,467
Ozark Territory.....	34,135	1,439,106	1,473,241	133,343
Western.....	128,925	386,773	515,698	91,005
Southern.....			3,700	42,023
Total, excluding California.....	787,955	6,628,144	7,416,099	1,501,369

Stocks and Shipments of Canned Sweet Corn

Stocks of canned sweet corn on March 1, 1939, amounted to 14,644,842 actual cases, compared with 16,225,988 cases on February 1, 1939, and 10,579,338 cases on March 1, 1938, according to figures compiled by the Association's Division of Statistics. Of the total stocks in canners' hands on March 1, 1939, 3,133,276 cases were sold but not shipped, and 11,511,566 cases were unsold.

Shipments during February, 1939, amounted to 1,581,146 cases, compared with 1,290,409 cases during February, 1938. Shipments during the seven months, August 1, 1938, to March 1, 1939, totaled 11,011,408 cases, compared with 14,521,453 cases during the corresponding months of the preceding year.

The report of March 1 stocks is based on reports from canners packing 87 per cent of the 1938 corn pack, together with estimates for the 13 per cent not reported.

Stocks of corn on the cob on March 1, 1939, totaled 214,267 cases, with Eastern States holding 29,918 cases, and Western States having 184,349 cases. Unsold stocks amounted to 128,602 cases, and February shipments totaled 55,475 cases.

In the following table are shown stocks of canned corn in Eastern and Western cannery hands on March 1, 1939, by varieties:

EASTERN STATES	Sold	Unsold	Total
	Cases	Cases	Cases
Cream style:			
Evergreen.....	87,767	802,910	890,677
Narrow Grain.....	129,202	341,113	470,315
Country Gentleman.....	66,996	147,570	214,566
Crosby.....	42,636	38,915	81,551
Bantam Yellow.....	318,402	1,861,520	2,179,922
Whole grain:			
Bantam Yellow.....	77,516	529,437	606,953
White.....	15,480	297,412	312,892
Total.....	737,099	4,018,877	4,756,876
<hr/>			
WESTERN STATES			
Cream style:			
Evergreen.....	285,546	1,001,810	1,287,356
Narrow Grain.....	85,893	407,672	493,565
Country Gentleman.....	364,387	1,517,443	1,881,830
Crosby.....	33,310	51,710	85,020
Bantam Yellow.....	882,061	2,431,161	3,313,222
Whole grain:			
Bantam Yellow.....	663,415	1,812,319	2,475,734
White.....	80,665	270,574	351,239
Total.....	2,395,277	7,402,680	9,887,966

Tentative Grade Standards for Frozen Peas

Proposed tentative U. S. Standards for grades of frozen peas were announced March 10 by the Bureau of Agricultural Economics. Copies of the proposed tentative grades have been mailed to processors and handlers of frozen peas for their consideration pending possible revision and recommendation as permissive tentative grades. Based on tests for color, absence of defects, tenderness and maturity of the peas, the proposed tentative grades would provide standards for U. S. Grade A (Fancy), U. S. Grade C (Standard) and Off-Grade Quality (Substandard).

FTC Agreement with Box Distributor

The Odman Corporation, engaged in selling and distributing corrugated boxes or shipping containers, has agreed with the Federal Trade Commission to discontinue "misleading representations" in its sales. The Commission announcement stated: The Corporation "agrees to discontinue marking or stamping its products with its corporate or trade name together with the words 'Certificate of Box Maker' or the word 'Maker' or any other word or words of similar meaning so as to imply that it manufactures the products it sells or actually owns and operates or directly controls the plant or factory in which the boxes and containers are made, when such is not a fact."

"Parade of Progress" Broadcasts

Broadcasts featuring the food industry's achievements, as part of the nation-wide "Parade of Progress" of the industry, are being presented by both the National Broadcasting Company and the Columbia Broadcasting Company.

CBS participation in the programs will include the following:

- April 8, 6:00-6:15 P. M., E. S. T.: "Adventures in Science."
- April 8, 7:00-7:15 P. M., E. S. T.: "Americans at Work" (grocer).
- April 15, 7:00-7:30 P. M., E. S. T.: "Americans at Work" (canner).

A 15-week series of dramatizations are being presented over the Blue Network of the NBC each Thursday night from 8:00 to 8:30 P. M., E. S. T. A program on canning already has been presented.

Fruit and Vegetable Market Competition

Carrot Shipments as reported by the Bureau of Agricultural Economics, Department of Agriculture

	Week ending—		Season total to—		
	Mar. 11, 1938	Mar. 11, 1939	Mar. 4, 1939	Mar. 11, 1938	Mar. 11, 1939
VEGETABLES					
Beans, snap and lima.....	207	66	57	3,802	3,842
Tomatoes.....	954	624	625	5,663	5,618
Green peas.....	151	141	92	1,408	918
Spinach.....	294	328	376	4,769	4,286
Others:					
Domestic, competing directly.....	5,292	4,400	4,800	101,193	94,412
Imports competing—					
Directly.....	18	21	35	507	325
Indirectly.....	57	49	52	2,079	2,007
FRUITS					
Citrus, domestic.....	5,045	5,091	4,607	79,160	92,192
Imports.....	0	0	0	107	77
Others, domestic.....	240	108	265	18,765	18,456

Japan's Canned Sardine Exports Drop in 1938

Canned sardine exports from Japan decreased 39.3 per cent during 1938, compared with the preceding year, according to the American commercial attache at Tokyo. Exports during 1938 amounted to 56,104,224 pounds, a decrease of 36,312,540 pounds below exports in 1937.

Department Store Sales in February

Department store sales in February continued at about the same level as in January, although an increase is usual at this season, according to figures of the Federal Reserve System. Total sales in February and in the first two months of the year were 2 per cent less than in the corresponding periods of 1938.

Indiana Canners Association Meeting

The spring meeting of the Indiana Canners Association will be held at the Claypool Hotel, Indianapolis, April 20-21.

HEAVY PEA SHIPMENTS IN FEBRUARY

Total stocks of canned peas in cannery hands on March 1, 1939, amounted to 12,721,650 actual cases, compared with 8,984,243 cases on March 1, 1938, according to figures compiled by the Association's Division of Statistics. Shipments during February, 1939, amounted to 2,202,034 cases, compared with 1,576,080 cases during February, 1938. Shipments during the nine-month period, June 1, 1938, to March 1, 1939, totaled 17,327,514 cases, compared with 16,636,986 cases during the same months in the preceding year.

Unsold stocks on March 1, 1939, were 10,091,478 cases, compared with 5,304,878 cases on March 1, 1938.

These figures are based on reports from cannery packing about 85 per cent of the 1938 canned pea pack, together with estimates for the 15 per cent not reported.

In the following table are shown stocks of canned peas on March 1, 1939, and shipments during February, 1939, by regions and varieties:

	Stocks on March 1, 1939			Shipments during February
	Sold not shipped	Unsold	Total	
New York and Maine:				
Alaskas.....	10,929	43,054	53,983	17,494
Sweets.....	275,229	691,688	966,917	160,371
Middle Atlantic:				
Alaskas.....	56,130	403,709	459,838	231,306
Sweets.....	22,424	249,649	272,073	49,240
Midwest:				
Alaskas.....	649,508	3,172,509	3,822,107	617,380
Sweets.....	681,214	3,347,904	4,029,118	423,388
Western:				
Alaskas.....	8,202	34,584	42,876	18,852
Sweets.....	946,347	2,148,291	3,094,638	675,003
Total Alaskas.....	724,958	3,653,946	4,378,904	885,032
Total Sweets.....	1,905,214	6,437,532	8,342,746	1,317,002

North Carolina Marketing Work Proposal

An "adequate marketing program" was one of the recommendations recently urged by the North Carolina State Board of Agriculture, in a joint meeting with North Carolina Senate and House agricultural committees. A program was outlined that "would necessitate employing 15 marketing specialists for virtually every phase of agriculture." Among these specialists would be three fruit and vegetable marketing specialists, and an agricultural products processing specialist who could plan "toward a program of establishing canneries that will permit farmers to dispose of their surplus crops."

State Legislation of Interest to Canners

The New York State Assembly bill No. 307 to amend the State health law relative to the manufacture and sale of adulterated or misrepresented foods, drugs, cosmetics, and devices, and to establish a consumer's bureau with jurisdiction over such products, was killed in Assembly committee on March 15. The bill would have placed broad authority in the enforcement officers, required registration and the payment of registration fees, and established grade labeling. Another food bill, which closely follows the Federal law, is still pending before the New York Assembly.

In Arkansas the State legislature adjourned without passing the State wage and hour bill patterned after the Fair Labor Standards Act and endorsed by the National Conference on Labor Legislation. The bill, which has been proposed in a number of other State legislatures, does not contain necessary exemptions for the canning industry. The Missouri legislature is considering a similar bill this week. Pending before the Missouri legislature is a bill that would require canners and manufacturers of foodstuffs to show on the container the date such products were packed.

Newspaper Article Features Canned Foods

Canned foods and the Service Kitchen of the National Canners Association were featured recently by Helen Robertson, home economics editor, in the Cleveland Plain Dealer. Emphasizing, by means of a colored map, that canned foods come from all parts of the country and are available at any

time, the map also showed photographs of the Service Kitchen of the Association and the kitchen of the American Can Company.

Hints on the use of canned foods and several recipes based on canned foods were included in the article.

On a trip to Cleveland during the winter, Miss Marjorie Black of the Association's Home Economics Division provided Miss Robertson with the material for the article.

Sales Policy on Sweet Corn Inbreds

The future policy of the Connecticut Experiment Station regarding the release and sale of sweet corn inbreds has just been announced, indicating that the station is discontinuing its practice of maintaining large supplies of the inbreds Purdue 39 and Purdue 51, and that beginning in 1940 it will be prepared to fill only small orders for these inbreds.

Pineapple Cannery in Straits Settlements

Buildings to house a new pineapple factory have been completed in Johore, according to the American trade commissioner at Singapore. Modern machinery will be installed and the new factory will be in charge of a government canning officer who will use the factory to demonstrate to pineapple canners improved and modern methods of canning that will be both economical and sanitary.

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